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中國管業集團有限公司
China Pipe Group Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 00380)

ANNOUNCEMENT OF FINAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL HIGHLIGHTS

	2023	2022	Percentage
	HK\$'000	HK\$'000	Change
Revenue	714,129	636,535	12%
Profit for the year attributable to equity holders of the Company	58,390	49,218	19%
Basic earnings per share	HK4.38 cents	HK3.69 cents	

The board of directors (the “Board”) of China Pipe Group Limited (the “Company”) hereby announces the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2023, together with the comparative figures for the corresponding year in 2022, are as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2023

		2023	2022
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	2	714,129	636,535
Cost of sales	4	(519,478)	(461,678)
Gross profit		194,651	174,857
Other gains, net	3	1,195	4,064
Selling and distribution costs	4	(23,961)	(19,710)
General and administrative expenses	4	(109,228)	(101,367)
Provision for impairment of financial assets	4	(52)	(61)
Operating profit		62,605	57,783
Finance income	5	12,979	6,384
Finance costs	5	(6,740)	(5,925)
Finance income, net	5	6,239	459
Profit before income tax		68,844	58,242
Tax expense	6	(10,454)	(9,024)
Profit for the year attributable to equity holders of the Company		58,390	49,218
Earnings per share		<i>HK cents</i>	<i>HK cents</i>
Basic and diluted	7	4.38	3.69

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Profit for the year	58,390	49,218
Other comprehensive income:		
Item that will not be reclassified subsequently to profit or loss:		
Actuarial (loss)/gain on post-employment benefit obligations, net of tax	(133)	173
Item that may be subsequently reclassified to profit or loss:		
Currency translation differences	(147)	(824)
Other comprehensive loss for the year, net of tax	(280)	(651)
Total comprehensive income for the year, net of tax attributable to equity holders of the Company	58,110	48,567

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

		2023	2022
	Note	HK\$'000	HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		11,261	5,093
Right-of-use assets		72,787	91,998
Intangible assets		273	324
Loan to a related company	9	78,312	78,154
Loan to a director	9	-	5,000
Rental deposits and other assets	9	7,157	7,369
		<u>169,790</u>	<u>187,938</u>
Current assets			
Inventories		217,326	243,703
Trade receivables	9	187,334	151,481
Deposits, prepayments and other receivables	9	98,578	64,500
Financial assets at fair value through profit or loss		1,541	1,513
Tax recoverable		316	750
Pledged bank deposits		46,000	46,000
Restricted bank balances		1,106	-
Cash and bank balances		228,138	206,487
		<u>780,339</u>	<u>714,434</u>
Total assets		<u>950,129</u>	<u>902,372</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 31 December 2023

	<i>Note</i>	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
EQUITY			
Equity holders			
Share capital		26,645	26,645
Reserves		703,136	645,026
Total equity		729,781	671,671
LIABILITIES			
Non-current liabilities			
Lease liabilities		56,794	78,124
Deferred tax liabilities		2,859	2,117
Other non-current liabilities		554	542
		60,207	80,783
Current liabilities			
Trade payables, other payables and contract liabilities	<i>10</i>	68,098	73,634
Taxation payable		4,357	26
Lease liabilities		25,518	22,905
Borrowings		62,168	53,353
		160,141	149,918
Total liabilities		220,348	230,701
Total equity and liabilities		950,129	902,372
Net current assets		620,198	564,516
Total assets less current liabilities		789,988	752,454

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) and under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, which are carried at fair value. In addition, the consolidated financial statements include applicable disclosures required by the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

New and amended standards adopted by the Group

The Group has applied the following new and amended standards for its annual reporting period commencing 1 January 2023:

Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two Model Rules
Amendments to HKAS 8	Definition of Accounting Estimates
HKFRS 17 and Amendments to HKFRS 17	Insurance Contracts
Amendment to HKFRS 17	Initial Application of HKFRS 17 and HKFRS – 9 Comparative Information

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New and amended standards and interpretations not yet adopted

Certain amendments to accounting standards and interpretation have been published that are not mandatory for 31 December 2023 reporting period and have not been early adopted by the Group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Amendments to HKAS 1	Classification of Liabilities as Current and Non-current ¹
Amendments to HKAS 1	Non-current Liabilities with Covenants ¹
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ¹
HKAS 7 and HKFRS 7 (Amendments)	Supplier Finance Arrangements ¹
HK Int 5 (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ¹
HKAS 21 (Amendments)	Lack of Exchangeability ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ effective for annual periods beginning on or after 1 January 2024

² effective for annual periods beginning on or after 1 January 2025

³ effective date to be determined

2 REVENUE AND SEGMENT INFORMATION

The Executive Directors of the Company have been identified as the chief operating decision-maker (“CODM”). Management determines the operating segments based on the Group’s internal reports, which are then submitted to the CODM for performance assessment and resources allocation.

The Executive Directors assess the performance of the operating segment based on a measure of profit before income tax and regard there to be only one operating segment – trading of construction materials, mainly pipes and fittings. Accordingly, segment disclosures are not presented.

The revenue from contracts with customers recognised during the years ended 31 December 2023 and 2022 are trading of construction materials, mainly pipes and fittings, all of which were recognised at a point in time.

Geographical information

The Group is domiciled in Hong Kong. The Group’s revenues from external customers by geographical location are detailed below:

	Revenue	
	For the year ended 31 December	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong	637,052	565,702
Macau	70,894	63,816
Mainland China	6,183	7,017
	714,129	636,535

The Group’s non-current assets by geographical location are detailed below:

	2023		2022	
	<i>HK\$'000</i>		<i>HK\$'000</i>	
Hong Kong	168,445	186,186		
Macau	257	548		
Mainland China	1,088	1,204		
	169,790	187,938		

3 OTHER GAINS, NET

	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net exchange gain	1,567	978
Gain on early termination of lease	10	38
Net gain/(loss) on disposal of property, plant and equipment	11	(90)
Gain/(loss) on financial assets at fair value through profit or loss	28	(193)
Impairment loss on other assets	(499)	-
Dividend income from financial assets at fair value through profit or loss	78	65
Hong Kong Government grants (Note)	-	3,266
	<u>1,195</u>	<u>4,064</u>

Note:

During the year, the Group has not received Employment Support Scheme under the Anti-epidemic Fund of Hong Kong Special Administration Region Government to set off against wages, salaries and welfare (2022: HK\$3,266,000).

4 EXPENSES BY NATURE

Operating profit is arrived at after charging:

	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Cost of inventories sold	512,443	449,904
Amortisation of intangible assets	51	51
Auditor's remuneration		
- Audit services	1,390	1,313
- Non-audit services	205	192
Depreciation of property, plant and equipment	2,029	1,667
Depreciation of right-of-use assets	23,689	23,798
Employee benefit expenses	75,872	65,671
Short-term and low-value lease expenses	453	1,477
Provision for impairment of financial assets	52	61
(Reversal of)/provision for and write-off of inventories, net	(3,519)	3,173
Other expenses	40,054	35,509
	<u>652,719</u>	<u>582,816</u>
Representing:		
Cost of sales	519,478	461,678
Selling and distribution costs	23,961	19,710
General and administrative expenses	109,228	101,367
Provision for impairment of financial assets	52	61
	<u>652,719</u>	<u>582,816</u>

5 FINANCE INCOME, NET

	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Bank interest income	8,566	2,041
Other interest income	4,413	4,343
Interest expense on bank borrowings	(3,180)	(1,882)
Interest expense on lease liabilities	(3,560)	(4,043)
	<u>6,239</u>	<u>459</u>

6 TAX EXPENSE

	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current taxation:		
Hong Kong profits tax	9,610	8,578
Overseas tax	-	75
Under/(over) provision in prior years	76	(49)
Total current tax	<u>9,686</u>	<u>8,604</u>
Deferred taxation:		
Origination and reversal of temporary differences	768	420
Tax expense	<u>10,454</u>	<u>9,024</u>

Hong Kong profits tax has been provided at the rate of 16.5% (2022: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

7 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the profit for the year attributable to equity holders and weighted average number of ordinary shares with adjustments where applicable as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Profit attributable to equity holders of the Company for the purpose of basic earnings per share	<u>58,390</u>	<u>49,218</u>
Number of shares	<i>Thousands</i>	<i>Thousands</i>
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>1,332,266</u>	<u>1,332,266</u>

Diluted earnings per share is of the same amount as the basic earnings per share as there were no potential dilutive ordinary shares outstanding for the years ended 31 December 2023 and 2022.

8 DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2023 (2022: Nil).

9 TRADE AND OTHER RECEIVABLES

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Trade receivables	188,649	152,744
Less: loss allowance	<u>(1,315)</u>	<u>(1,263)</u>
	----- 187,334	----- 151,481
Prepayments	1,823	2,537
Loan to a director	-	5,000
Rental deposits	6,510	6,170
Other receivables, deposits and other assets	97,432	63,192
Less: loss allowance	<u>(30)</u>	<u>(30)</u>
	----- 105,735	----- 76,869
Loan to a related company	78,436	78,278
Less: loss allowance	<u>(124)</u>	<u>(124)</u>
	----- 78,312	----- 78,154
Total of trade and other receivables, deposits and prepayments	371,381	306,504
Less: included in non-current assets		
Rental deposits and other assets	(7,157)	(7,369)
Loan to a director	-	(5,000)
Loan to a related company	<u>(78,312)</u>	<u>(78,154)</u>
Included in current assets	<u>285,912</u>	<u>215,981</u>

The Group generally grants credit period of 60-90 days to its customers for its trading of pipes and fittings operation. The ageing analysis of the trade receivables based on the invoice date is as follows:

	2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
Within 30 days	53,244	45,076
31 to 60 days	51,667	41,297
61 to 90 days	41,352	32,333
91 to 120 days	22,528	13,574
Over 120 days	<u>19,858</u>	<u>20,464</u>
	----- 188,649	----- 152,744

The closing loss allowance for all trade receivables reconcile to the opening loss allowance are as follows:

	<i>HK\$'000</i>
Loss allowance as at 31 December 2022	(1,263)
Loss allowance for trade receivables	(52)
Loss allowance as at 31 December 2023	<u>(1,315)</u>

The Group applies HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

There was loss allowance of HK\$1,315,000 for trade receivables as at 31 December 2023 (2022: HK\$1,263,000).

10 TRADE PAYABLES, OTHER PAYABLES AND CONTRACT LIABILITIES

	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Trade payables	30,144	32,056
Contract liabilities	17,798	20,728
Accrued expenses and other payables	20,156	20,850
	<u>68,098</u>	<u>73,634</u>

The ageing analysis of the Group's trade payables, based on the invoice date, is as follows:

	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	23,600	22,775
31 to 60 days	2,190	5,266
61 to 90 days	3,140	3,569
Over 90 days	1,214	446
	<u>30,144</u>	<u>32,056</u>

BUSINESS REVIEW

The Group has achieved a new high sales record during the year under review. The Group recorded revenue amounted to approximately HK\$714.1 million (2022: HK\$636.5 million), representing an increase of 12.2% over last year. Thanks to the Hong Kong government's efforts to address the long-running housing shortage, our Group has been able to capitalize on the opportunities presented by the government's investment in infrastructure and housing projects, and our sales have benefited accordingly. As a result, we have witnessed remarkable performance. Furthermore, we have experienced increased bank interest income as the saving interest rate rose during the year. This has contributed to our overall financial performance and added to our success. The profit attributable to equity holders of the Company was HK\$58.4 million, as compared to a net profit attributable to equity holders of the Company of approximately HK\$49.2 million for the same period in 2022, representing an increase of 18.7%.

In addition, we have been working hard to optimize our internal processes and improve operational efficiency. We implemented a new enterprise resource planning system, which has helped us to streamline our operations and also enhanced our ability to respond to customer demands promptly.

Additionally, our efforts to diversify our product portfolio have paid off. We have successfully launched several new products, including the OPAL copper hose and a full range of valves. These additions have not only strengthened our product advantages but also enhanced our competitiveness in the market. By continuously innovating and expanding our offerings, we have positioned ourselves as a reliable and comprehensive supplier in the industry.

Collaboration has been a key focus for us, and we have strengthened our partnerships with major local and mainland suppliers and contractors. This increased cooperation has yielded remarkable results, allowing us to access a wider range of resources and expertise. By working closely with our partners, we have been able to deliver high-quality products and services to our customers.

To expand our market coverage and provide more convenient services, we have recently reopened a new store in Tsuen Wan. This strategic move will enable us to reach a broader customer base and capitalize on the growing demand in the area. We remain committed to delivering exceptional customer experiences and solidifying our position as a market leader.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a leading provider to the construction sector offering a wide range of pipe (including copper tube, ductile iron and steel pipes) related products, fittings, comprehensive services and solutions to the contractors, designers, consultants and government agencies in Hong Kong and Macau.

The Group's core business lies with our flagship subsidiary, Bun Kee (International) Limited, a well-established company with a long history. Starting from a small retail shop, we grew up to a company listed in Hong Kong. We have become one-stop supplier of a comprehensive range of pipes and fittings. The Group has built a good reputation for the pipes and fittings business in Hong Kong and Macau. We have established stable major customer and supplier

bases over the years.

During the year under review, the Group has achieved encouraging results, marked by historically high sales. This accomplishment can be attributed to the government's strong commitment to addressing the long-standing housing shortage. With numerous public and private sector projects in the pipeline, along with substantial government investments in infrastructure and housing, we have seized the opportunities presented by these initiatives.

In recent years, the use of Modular Integrated Construction (“MiC”) and Multi-trade Integrated MEP (“MiMEP”) has gained immense popularity. These innovative approaches have enabled contractors to streamline their construction processes, resulting in improved efficiency and cost-effectiveness. By seizing this opportunity, we have been able to capitalise on the increased demand for the pipes and fittings.

Expanding our market coverage and providing convenient services to our customers remains a priority for us. In this regard, we have successfully re-opened a new store in Tsuen Wan, enabling us to reach a wider customer base and provide them with convenient services.

The Group’s revenue increased by 12.2% to HK\$714.1 million for the year ended 31 December 2023 (2022: HK\$636.5 million). The profit attributable to equity shareholders of the Company was HK\$58.4 million for the year ended 31 December 2023 (2022: HK\$49.2 million), representing an increase of 18.7%.

For the year under review, other gains, net were about HK\$1.2 million (2022: HK\$4.1 million), representing a decrease of HK\$2.9 million over last year. The decrease was mainly due to there were no subsidies granted by the Hong Kong Government under the Anti-epidemic Fund during the year under review.

The Group’s selling and distribution costs increased by 21.8% year-on-year from HK\$19.7 million in 2022 to HK\$24.0 million in 2023. The increase was primarily attributable to the increase in promotion, transportation costs, sales commission and direct logistic staff costs. The Group’s general and administrative expenses amounted to approximately HK\$109.2 million in 2023 (2022: HK\$101.4 million), representing an increase of about 7.7% year-on-year. The increase was mainly due to the increase in staff costs, testing fees, depreciation and insurance which were partly offset by the decrease in professional fees and short-term and low-value lease expenses.

Finance costs mainly consisted of the interest expenses on bank borrowings and lease liabilities. During the year, the finance costs were HK\$6.7 million (2022: HK\$5.9 million), representing an increase by about 13.6% over last year. Such increase was mainly attributable to the increase in interest rates on bank borrowings. Finance income which was mainly from a loan to a related party and bank deposits’ interest income, increased by 103.1% from HK\$6.4 million in 2022 to HK\$13.0 million in 2023 due to the increase in bank deposits interest rates. As finance income outpaced costs, we recorded net finance income of HK\$6.2 million (2022: HK\$0.5 million).

FUTURE PROSPECTS

Despite our achievements, we acknowledge the challenges posed by the shortage of labor and rising prices. These factors require us to remain vigilant and adopt a prudent strategy. We are confident, however, that our strong foundation and proactive approach will enable us to navigate these challenges effectively.

Looking ahead, we are positive about the outlook of the construction industry in Hong Kong. The government's continued investment in housing and infrastructure projects, coupled with the anticipated growth in the industry, bodes well for our future prospects. We are well-positioned to benefit from these developments and will continue to capitalize on the opportunities that arise.

LIQUIDITY AND CAPITAL RESOURCES ANALYSIS

As at 31 December 2023, the cash and bank balances of the Group were approximately HK\$275.2 million (2022: HK\$252.5 million) including pledged bank deposits of approximately HK\$46.0 million (2022: HK\$46.0 million) and restricted bank balances of approximately HK\$1.1 million (2022: Nil). Basically the Group's working capital requirement has been financed by its internal resources. The funds generated from operations and the available banking facilities will enable the Group to meet its future working capital requirements.

As at 31 December 2023, the Group had aggregate banking facilities for trade finance of approximately HK\$312.3 million (2022: HK\$262.3 million), approximately HK\$66.6 million (2022: HK\$54.5 million) was utilised. The Group's total borrowings stood at approximately HK\$62.2 million (2022: HK\$53.4 million), the entire amount of borrowings for both years end will mature within one year. 36% (2022: 46%) and 64% (2022: 54%) of borrowings were subject to floating and fixed rates respectively.

The gearing ratio as measured by total bank borrowings to total equity was approximately 8.5% as at 31 December 2023 (2022: 7.9%).

As at 31 December 2023 and 2022, the entire amount of the Group's borrowings was denominated in Hong Kong dollars.

The Group conducts its business transactions mainly in Hong Kong dollar, Macau Pataca, Renminbi and United States dollar. In order to manage foreign exchange risk, the Group has been closely monitoring its foreign currency exposure and will arrange for any hedging facilities if necessary.

CHARGE ON ASSETS

As at 31 December 2023, certain bank deposits held by subsidiaries of the Group with aggregate carrying amounts of approximately HK\$46.0 million (2022: bank deposits of HK\$46.0 million) were pledged to banks for banking facilities.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 31 December 2023 and 2022.

CAPITAL COMMITMENTS

As at 31 December 2023, the Group did not have capital commitments (2022: HK\$533,000) contracted for but not provided for in consolidated financial statements.

STAFF AND REMUNERATION POLICY

As at 31 December 2023, the Group employed a total of 164 full-time employees (2022: 155). Total employee benefit expenses for the year ended 31 December 2023 was approximately HK\$75.9 million (2022: HK\$65.7 million).

Remuneration policy is reviewed annually and certain staff members are entitled to sales commission. In addition to the basic salaries and contributions to the mandatory provident fund, the Group also pays discretionary bonus and provides staff with other benefits including medical scheme to the employees in Hong Kong. The Group contributes to an employee pension scheme established by the PRC Government which undertakes to assume the retirement benefit obligations of all existing and future retired employees of the Group in Mainland China. The Group adopted a share option scheme for the purpose of providing incentives and rewards to motivate the eligible directors and employees of the Group in recognition of their contributions to the Group.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2023 (2022: Nil).

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board is committed to maintaining high corporate governance standards. The Company has complied with the code provisions set out in the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange") throughout the year ended 31 December 2023.

AUDIT COMMITTEE

The audit committee of the Company consists of four independent non-executive directors, namely Mr. Wong Yee Shuen, Wilson, Mr. Chen Wei Wen, Mr. Guan Zhiqiang and Mr. Wang Chaolong.

The annual results have been reviewed by the audit committee of the Company. The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2023 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rule (the "Model Code"). Having made specific enquiry with all directors, all directors confirmed that they have fully complied with the required standard as set out in the Model Code throughout the year ended 31 December 2023.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the website of the Company at www.chinapipigroup.com and the website of the Stock Exchange at www.hkexnews.hk. The 2023 annual report of the Company will be available at the website of the Company and the website of the Stock Exchange and despatched to shareholders of the Company in due course.

APPRECIATION

We thank our shareholders, customers, suppliers and banks for their continuous support and confidence in the Group. I would also like to thank our directors, management team and employees for their commendable efforts and valuable contribution to the Group over the years.

By Order of the Board
China Pipe Group Limited
Lai Fulin
Chairman

Hong Kong, 26 March 2024

As at the date of this announcement, the Board consists of Mr. Lai Fulin and Mr. Yu Ben Ansheng as executive directors; Mr. Wong Yee Shuen, Wilson, Mr. Chen Wei Wen, Mr. Guan Zhiqiang and Mr. Wang Chaolong as independent non-executive directors.